

Presented to the governor April 23, 1993

Signed by the governor April 26, 1993, 3:02 p.m.

CHAPTER 52—S.F.No. 394

*An act relating to financial institutions; permitting contracts between financial institutions to accept deposits and honor withdrawals; proposing coding for new law in Minnesota Statutes, chapter 47.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [47.78] **CONTRACTS TO ACCEPT AND RECEIVE DEPOSITS-HONOR AND PAY WITHDRAWALS.**

(a) Notwithstanding any other law to the contrary, a financial institution, the "customer institution," may contract with another financial institution, the "service institution," to grant the service institution the authority to render services to the customer institution's depositors, borrowers or other customers, provided notice of the proposed contract is given to the commissioner and the commissioner does not object to the contract within 30 days of the notice.

(b) For purposes of this section: "Financial institution" means a national banking association, federal savings and loan association, or federal credit union having its main office in this state, or a bank, savings bank, savings and loan association or credit union established and operating under the laws of this state; and "services" means accepting and receiving deposits, honoring and paying withdrawals, issuing money orders, cashiers' checks, and travelers' checks or similar instruments, cashing checks or drafts, receiving loan payments, receiving or delivering cash and instruments and securities, disbursing loan proceeds by machine, and any other transactions authorized by section 47.63.

(c) A contract entered into pursuant to this section may include authority to conduct transactions at or through any principal office, branch, or detached facility of either financial institution which is a party to the contract, and the service institution is not considered a branch of the customer institution for purposes of section 48.34.

Presented to the governor April 23, 1993

Signed by the governor April 26, 1993, 3:05 p.m.

New language is indicated by underline, deletions by ~~strikeout~~.